

III. Amendments to the Claims

Please cancel claims 1 and 4, amend claims 2,3, 5-17, and add new claims 18 -24 as follows:

1. (cancelled)

2. (amended) The system of claim 18 wherein the first information data record as to each a financial instrument ~~comprises~~ includes information corresponding to the MICR line on a check, ~~the amount of the payment and a document identification number.~~

3. (amended) A system as in claim 18 wherein the means for creating a visually perceptible record said comprises an imager at ~~said location~~ that creates an electronic image corresponding to information regarding a each ~~of said~~ financial instruments for transmission ~~of said electronic image over said first communication link to said the~~ payee's depository bank.

4. (cancelled)

5. (amended) The system of claim [4] 19 wherein ~~said~~ information in a data record includes ~~derived from the instruments~~ comprises information corresponding to the MICR line on a check, ~~the amount of the payment, and a document identification number. record thereof.~~

6. (amended) The system of claim 18 including ~~an imager at the facility for creating an image of each of said financial instruments,~~ a storage archive for maintaining the visually perceptible records ~~such images,~~ and means for delivering the images located at a site remote from the capture facility to the archive and a communication link between the capture facility and the storage archive for delivering the records.

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7. (amended) The system of claim [4] 19 including ~~an imager at the facility for creating an image of each of said financial instruments,~~ a storage archive for maintaining the visually perceptible records ~~such images,~~ and means for delivering ~~the images~~ located at a site remote from the capture facility to the archive and a communication link between the capture facility and the storage archive for delivering the records.

8. (amended) The system of claim 18 in which the capture facility includes ~~including~~ a means for physically processing the a payor's ~~check payments received~~ in accordance with a truncation procedure in which ~~the truncation procedure for the paper checks includes the archive of an image of the check~~ is created and the image of the check is maintained in the archive in a format selected from one or more of the group of microfilm and, electronic imaging, ~~bitmap and imaging,~~ and, after imaging, the check is ~~thereafter~~ disposed of.

9. (amended) The system of claim [4] 19 in which the capture facility includes including a means for physically processing the a payor's check payments received in accordance with a truncation procedure in which ~~the truncation procedure for the paper checks includes the archive of an image of the check~~ is created and the image of the check is maintained in the archive in a format selected from one or more of the group of microfilm and, electronic imaging, bitmap and imaging, and, after imaging, the check is thereafter disposed of.

10. (amended) The system of claim 48 in which an image of one of a physical check ~~or~~ and one or more than one data segments of the physical check is transmitted to the custodian of the payor's account, and the image is displayed ~~returned to the check writer in a periodic statement delivered on behalf of the custodian to the payor of the check writer's account.~~

11. (amended) The system of claim 49 in which an image of one of a physical check ~~or~~ and one or more than one data segments of the physical check is transmitted to the custodian of the payor's account, and the image is displayed ~~returned to the check writer in a periodic statement delivered on behalf of the custodian to the payor of the check writer's account.~~

12. (amended) The system of claim [4] 19 in which ~~multiple~~ more than one cash letters ~~are is submitted~~ delivered into the payment system.

13. (amended) The system of claim 12 in which cash letters delivered into the payment system include electronic cash letters and paper cash letters.

14. (amended) The system of claim 18 in which an image of the visually perceptible record information associated with a payment ~~made by an electronic instruction~~ is returned to the payor in paper format.

Q2
15. (amended) The system of claim [4] 19 in which an image of the visually perceptible record information associated with a payment ~~made by an electronic instruction~~ is returned to the payor in paper format.

16. (amended) The system of claim 18 in which an image of the visually perceptible record information associated with a payment ~~made by an electronic instruction~~ is returned to the payor in electronic format.

17. (amended) The system of claim [4] 19 in which an image of the visually perceptible record information associated with a payment ~~made by an electronic instruction~~ is returned to the payor in electronic format.

Q3
18. (new) A system for effecting the deposit and submission into a payment system of a plurality of paper and electronic financial instruments issued from multiple, distinct payors' accounts maintained separately at one or more custodian institution, the financial instruments payable to the same payee having an account at a payee's

depository bank, and for effecting the transfer of the funds represented by the financial instruments from the payors to the payee's account, comprising:

a) an item capture facility for receiving the financial instruments on behalf of the payee;

b) means at the capture facility for deriving funds transfer information from each of said instruments and converting said information into a data record as to each said instrument, said means comprising a scanner for paper instruments and a communication means for receiving electronic payment instructions, said data record including at least i) an identification of the payor, ii) an identification of the institution designated in the instrument as the custodian of payor's account from which funds are to be transferred, and iii) the amount of funds to be transferred;

c) means for associating information in the data record for each instrument with a record associated with the payor maintained in the payee's records of accounts;

d) means for creating a visually perceptible record for displaying information corresponding to the data record for each of said financial instruments;

e) an archive for storing at least one of a data record and a visually perceptible record for each of said financial instruments;

f) a communication link interconnecting the capture facility, the payee's depository bank, and a payment system for transmitting information associated with the financial instruments;

g) processing means for associating routing information and a unique document identifier with the data record for each instrument to provide a payment record for each instrument;

h) a sorter i) for identifying payment records according to categories having criteria predetermined by the payment system, ii) for assembling bundles of the payment records corresponding to the categories, and iii) for associating said bundles with cash letter information, and

AB i) a controller that coordinates the transmission of cash letter information from the capture facility to the payment system and the depository bank of the payee, and the delivery of the cash letters into the payment system according to a predetermined schedule,

whereby the payment of funds represented by the financial instruments from the depository banks of the payors to the depository bank of the payee is effected in accordance with the schedule.

19. (new) A system for effecting the deposit and submission into a payment system of a plurality of paper and electronic financial instruments authorizing the transfer of funds from multiple, distinct payors' accounts to a unique payee's having an account maintained at the payee's depository bank and for effecting the transfer of the funds represented by the financial instruments, comprising:

a) an item capture facility for receiving the financial instruments on behalf of the payee;

b) means at the capture facility for deriving funds transfer information from each of said instruments and converting said information into a data record as to each said instrument, said means comprising a scanner for paper instruments and a communication means for receiving electronic payment instructions, said data record including at least i) an identification of the payor, ii) an identification of the institution designated in the instrument as the custodian of payor's account from which funds are to be transferred, and iii) the amount of funds to be transferred;

AB c) means for associating information in the data record for each instrument with a record associated with the payor maintained in the payee's records of accounts;

d) means for creating a visually perceptible record for displaying information corresponding to the data record for each of said financial instruments;

e) an archive for storing at least one of a data record and a visually perceptible record for each of said financial instruments;

f) means for applying to a financial instrument an indorsement indicia on behalf of one or more of the payee and the depository bank of the payee;

g) processing means for associating routing information and a unique document identifier with the data record for each instrument to provide a payment record for each instrument;

h) a sorter i) for separating said payment records into predetermined payment categories, ii) for assembling bundles of said payment records into the categories and iii) for associating said bundles with cash letter information;

i) a settlement communication link between the capture facility and a payment system for transmitting said bundles accompanied by the associated cash letters into said payment system to initiate payment, to the depository bank of the payee from the institution identified as the custodian of the payor's account, of the funds represented by each of said instruments; and

a³ j) a controller for coordinating i) the transmission of information between and among the capture facility, the depository bank of the payee and the payment system, ii) the delivery of the bundles and cash letters into the payment system, and for reporting funds transfer information to the payee and the depository bank of the payee,

whereby, according to a schedule predetermined by the payment system, the bundles and cash letters are delivered from the capture facility into the payment system and the payment of funds represented by the financial instruments to the depository bank of the payee from the depository banks of the payors is effected.

20. (new) The system of claim 18 in which more than one cash letter is delivered into the payment system.

21. (new) The system of claim 20 in which cash letters delivered into the payment system include electronic cash letters and paper cash letters.

22. (new) The system of claim 18 in which the payment system to which cash letters are delivered is one of the Federal Reserve and a private clearing house.

23. (new) The system of claim 19 in which the payment system to which cash letters are delivered is one of the Federal Reserve and a private clearing house.

Q3 24. (new) A system for effecting the deposit and submission into a payment system of a plurality of paper and electronic financial instruments issued from multiple, distinct payors' accounts maintained separately at one or more custodian institution payable to the same payee's account maintained at the payee's depository bank; for effecting the transfer of the funds represented by the financial instruments from the payors to the payee's account; and for recording a payment in the records of the payee comprising:

a) billing statement sent by the payee to a payor including a remittance indicia to be returned to the payee accompanied by a payment;

b) an item capture facility associated with the payee for receiving from a payor the remittance indicia accompanied by a financial instrument representing a payment;

c) means at the capture facility for deriving funds transfer information from financial instruments and converting said information into a data record as to each said instrument, said means comprising a scanner for paper instruments and a communication means for receiving electronic payment instructions,

said data record including at least i) an identification of the payor, ii) an identification of the institution designated in the instrument as the custodian of payor's account from which funds are to be transferred, and iii) the amount of funds to be transferred;

d) means for associating information in the data record for each instrument with a remittance indicia and a billing statement record associated with the payor maintained in the payee's records of accounts;

e) means for creating a visually perceptible record for displaying information corresponding to the data record for each of said financial instruments;

f) an archive for storing at least one of a data record and a visually perceptible record for each of said financial instruments;

g) a communication link interconnecting the capture facility, the payee's depository bank, and a payment system for transmitting information associated with the financial instruments;

h) processing means for associating routing information and a unique document identifier with the data record for each instrument to provide a payment record for each instrument;

j) a sorter i) for identifying payment records according to categories having criteria predetermined by the payment system, ii) for assembling bundles of the payment records corresponding to the categories, and iii) for associating said bundles with cash letter information; and

i) a controller;

Q3 in which the controller, according to a predetermined schedule, coordinates the transmission of cash letter information from the capture facility to the payment system and the depository bank of the payee, and the delivery of the cash letters into the payment system, whereby the payments of funds represented by the financial instruments from the depository banks of the payors to the depository bank of the payee is effected and the payments are recorded on behalf of the payors in the payee's record of accounts.